Centre No.					Pape	r Refer	ence			Surname	Initial(s)
Candidate No.			6	9	2	1	/	0	1	Signature	

Paper Reference(s)

6921/01

Edexcel GCE

Applied Business

Unit 6: Investigating Promotion Thursday 14 January 2010 – Morning

Time: 1 hour 30 minutes

Materials	required	for	examination
Nil			

Items included with question papers

Examiner's use only						

Team Leader's use only

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Instructions to Candidates

In the boxes above, write your centre number, candidate number, your surname, initial(s) and signature. The paper reference is shown above.

Check that you have the correct question paper.

Answer ALL the questions. Write your answers in the spaces provided in this question paper. Additional answer sheets may be used.

Information for Candidates

The marks for individual questions and the parts of questions are shown in round brackets: e.g. (2). There are 10 questions in this question paper. The total mark for this paper is 90. There are 16 pages in this question paper. Any blank pages are indicated.

Advice to Candidates

You will be assessed on your ability to organise and present information, ideas, descriptions and arguments clearly and logically, including your use of grammar, punctuation and spelling.

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Questions 1 to 4 relate to the information about Easy Grazing Plc shown in Figure 1.

Figure 1

Easy Grazing is a national chain of outlets, offering restaurant and bar facilities in major towns and cities in the UK. Each outlet offers a set menu including full English breakfast, standard meals such as fish and chips, roast dinners with a choice of vegetables and more specialised international meals, for example, curries, stir fries and pasta dishes.

Easy Grazing's target market is all sections of the general public, which includes business men, business women and students. Prices are very competitive and each week special offers are made available in all outlets.

Easy Grazing's promotions include the following methods.

- 30 second television advertisements, repeated each night for a week. This is done four times a year.
- 10 second radio advertisements on local radio stations in areas where it has outlets. This is done once a week, every week.
- Posters placed in the windows of each outlet, advertising that week's special offers.
- A payment of £1 for every order over £20 to a local charity.
- A website providing full details of menus, special offers, etc.

1.	(a)	i) (i)	Which of the methods of promotion listed in Figure 1 would be most likely to show promotion through 'public relations'?
			(1)
		(ii)	Explain why the method you have chosen in (i) is promotion through 'public relations'.
			(3)

(Total 4 marks)

(a)	With reference to the way <i>Easy Grazing</i> uses posters, what are likely to be the drawbacks of using posters for advertising the weekly special offers?
	drawbacks of using posters for advertising the weekly special offers?
	(6)

(7
(Total 13 marks)

us,	y Grazing advertises its meals using television and radio.
lva Fra	luate which of these would be the most effective method of advertising for <i>Easy zing</i> 's meals.
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	(Total 11 marks)



	Leave blank
Easy Grazing, like many competitors such as Wetherspoon and Varsity, provides customers with free WiFi access. This allows customers to bring laptop computers into its outlets and access the internet without a charge.	
4. (a) Why would free WiFi access be a particularly attractive form of promotion for <i>Easy Grazing</i> 's target market?	,
(4))
(b) Explain how offering the facility of free WiFi access may cause changes to buyer behaviour for <i>Easy Grazing</i> 's products.	
(5)	Q4
(5) (Total 9 marks)	

Leave blank

Questions 5 to 7 relate to the information about *White Out*, shown in Figure 2 and Table 1.

Figure 2

White Out is a small chain of shops in the South East of England selling ski wear and ski equipment. With the downturn of the economy in 2008 sales were affected, and during 2009 the business increased its total expenditure on promotion by £650 from £9 600 to £10 250.

In 2008 and 2009 *White Out* kept records of sales in all of its outlets and asked each customer how they had heard about the shop. **Table 1** shows the results of these surveys and the changes in expenditure that were made in different parts of the overall promotion for the business.

Table 1

Promotional method	Expenditure in 2008	Percentage increase in expenditure	Percentage of customers naming a specific promotional method		
		2008 to 2009	2008	2009	
Local Newspapers	£4 000	25	30	32	
Yellow Pages	£200	5	20	20	
Cinema	£800	10	10	15	
Leaflets	£600	10	15	10	
Sponsorship of local sports clubs	£2 000	0	10	8	
Other	£2 000	-25	15	15	

		Leave blank
5.	Why would <i>White Out</i> increase expenditure on promotion when there is a downturn in the	Dialik
	economy?	
		0.5
		Q5
	(Total 5 marks)	

ı)	Describe what White Out is likely to expect in exchange for its sponsorship.
))	Explain why <i>White Out</i> might have made its decision not to change the level of sponsorship from the £2 000 it spent in 2008.
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h	Considering the information in Figure 2 and on Table 1 assess whether <i>White Out</i> chose ne best ways of allocating its increased promotional expenditure of £650.

With reference to a national UK or multinational high street retailer that has recently used leaflets in this way, answer the questions below. Name of the business		any high street retailers promote their businesses, or special offers, with leaflets that can picked up by people visiting their shops.
Main type of goods or services sold by the retailer. The particular aspect of the business being promoted through the leaflet. (a) Describe the information being provided on the leaflet.		
The particular aspect of the business being promoted through the leaflet. (a) Describe the information being provided on the leaflet.	Na	ame of the business
(a) Describe the information being provided on the leaflet.	M	ain type of goods or services sold by the retailer.
	Tł	ne particular aspect of the business being promoted through the leaflet.
(3)	 (a)	Describe the information being provided on the leaflet.
(3)		
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(3)		
		(3)

••	(4)

loca diff	ny businesses' promotional campaigns include advertising their goods or services in al newspapers. These newspapers frequently have special sections of the paper for types of business. With reference to a local newspaper that offers advertising their goods or services in the services of the paper for types of businesses. With reference to a local newspaper that offers advertising their goods or services in the
Nar	ne of local newspaper
(a)	List three distinct types of business that have specific sections of the paper set aside for their advertisements.
	1
	2
	3
	(3)
(b)	Explain why the local newspaper chooses to display many of the advertisements placed in the paper in specialised sections.
	(3)

 		(4)
	(То	tal 10 marks)
	· ·	,

	ss that has successfully overcome these cost constraints on its swer the following questions.
	vices sold by the chosen business.
a) Identify the cause of the	ne internal cost constraints.
	successfully overcome these cost constraints?
	successfully overcome these cost constraints?



QUESTION 10 CONTINUES ON NEXT PAGE

	Leave blank
(c) Assess the effect on the business of how it dealt with the constraint.	
	(4) Q10
(Total 10 mark	
TOTAL FOR PAPER: 90 MARI	KS
	KS
END	KS
	KS